

Workplace Friendships and Entrepreneurial Intent: The Mediating Role Of Innovative Behaviour

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Abstract

Workplace friendships (WPF) are informal and voluntary relationships, different from hierarchical relationships where there is a leader-and-subordinate association. Literature suggests that workplace friendship-type relationships influence innovative behaviour (IBE), yet there are varying results on its impact on entrepreneurial intention (EIN). Accordingly, this research builds on existing studies on these variables, exploring the mediating effect of innovative behaviour on workplace friendship and entrepreneurial intention. The investigation employed a quantitative, descriptive, causal, cross-sectional survey among 278 Philippine-based MSMEs. The results reveal that workplace friendships influence both innovative behaviour and entrepreneurial intention, and as shown in the model, innovative behaviour fully mediates workplace friendships and entrepreneurial intention. The study also illustrates that internal camaraderie, support and trust promote creativity and encourage innovation.

Keywords: workplace friendship, innovative behaviour, entrepreneurial intention, individual-opportunity nexus, intrapreneurship, corporate entrepreneurship

Introduction

Social beings naturally interact and build connections with other humans (or colleagues) through their jobs (Chen, Mao, & Hsieh, 2012). These connections often result in relationships such as workplace friendships. In a study by the Mayo Clinic (2022), although this type of relationship is not always easy to build and maintain, it impacts one's health and overall well-being. A healthy working environment and good peer relationships can also lead to innovative behaviours that benefit the firm (Ali & Kashif, 2020; Cao & Zhang, 2020; Colbert, Bono & Purvanova, 2016; Xiao, Mao, Quan, & Qing, 2020).

The nuances of workplace friendship make it an evolving topic of study, mainly in quantitative research; thus, several studies are worth noting. For example, Morrison (2004) and Kaya and Karatepe (2020) describe that overall workplace engagement increases employees' versatility, job satisfaction, and work and organizational effectiveness and commitment. Furthermore, this type of engagement may be affected by an interpersonal relationship known as workplace friendship (Breevaart, Bakker, Demerouti, & Van den Heuvel, 2015; Liao, Yang, Wang, Drown, & Shi, 2013). As a result, workplace friendship improves employees' disposition toward work. It also enhances willingness and eases interaction with peers, positively cultivating job functions, such as achieving goals and developing a career (Liao et al., 2013; Yan, Ni, Chien, & Lo, 2021). A positive working relationship fosters the development of professional ethics, where an ethical business successively ensures employees' safe and pleasant working environment (Grigoropoulos, 2019, as cited in De Zoysa, 2022). Thus, fostering meaningful and healthy working relationships encourages ethical practices among employees (De Zoysa, 2022). Ironically, there will always be a downside of workplace friendships, even though they may be seem to be harmonious. The paradox brought about by workplace friendship has been increasing

studied in literature, in order to understand its impact. The adverse effects of workplace friendship may include job insecurity, envy, and gossip (Jiang, Xu, & Hu, 2019). There may also be complexities at work, and feeling left out, often resulting in subgroups and decreasing open communication between groups (Pillemer & Rothbard, 2018).

In the Philippines, the government enacted the Republic Act (RA) No. 9501 or the Magna Carta for MSMEs (micro-, small-, and medium-sized enterprises). This law defines two main criteria in classifying organizations as part of MSMEs: employment and asset size. GovPh (2008) characterizes businesses with employees less than ten and asset size of up to Php 3 million as micro, those with 10-99 employees and asset size of up to Php 15 million as small, and those with 100-199 employees and asset size of up to Php 100 million as medium enterprises.

According to the 2020 MSME Statistics Report of the Department of Trade and Industry (DTI) through the Philippine Statistics Authority, MSMEs in the Philippines make up the majority of businesses in the country. The report showed that 99.51% or 952,969 enterprises are micro-, small-, and medium-sized firms (DTI, 2020). This data accounts for micro businesses at 88.77% or 850,127, small companies at 10.25% or 98,126, and medium-sized enterprises at 0.49% or 4,716. Moreover, the MSMEs provide 62.66% of the total employment, or 5,380,815 of the population is employed in these MSMEs (DTI, 2020).

Given the high percentage of individuals working for MSMEs, it is interesting to investigate the organizational relationship and dynamics within these firms. One way is to scrutinize how workplace friendships influence the employees' ability to be creative, innovative, and motivated.

Nonetheless, limited information is available locally and globally on the impact of workplace friendships on creativity, such as innovative behaviour and entrepreneurial intention,

especially in developing countries like the Philippines. Large organizations or corporations may lean towards a more instrumental workplace friendship than an interpersonal one. Therefore, examining and understanding how a platonic, informal, and voluntary relationship influences creativity among micro-, small- and medium-sized enterprises (MSMEs) is essential. These types of institutions often have closely-knit relationships because of their size and the scope of responsibilities. Furthermore, workplace friendships may encourage the exploitation of opportunities (Shane & Venkataraman, 2000) and the creation of products and services by the firm (Klein, 2016). This study also explores the positive influence of workplace friendships in developing innovative behaviour and driving individuals to start their businesses or innovate on existing offerings.

Workplace friendships are inevitable in the working environment, involve complex interpersonal relationships, and influence and encourage creativity; therefore, this proposed study seeks to answer the following research questions:

- 1. What is the relationship between workplace friendship, innovative behaviour, workplace friendship, and entrepreneurial intention among MSMEs?*
- 2. What is the mediating effect of innovative behaviour on workplace friendship and entrepreneurial intention?*

Accordingly, one of the goals of this study is to examine the effect of the complex and interpersonal relationships built upon workplace friendships on both innovative behaviour and entrepreneurial intention. At the same time, it aims to determine if innovative behaviour mediates workplace friendship and entrepreneurial intention. This type of bond and outcomes are essential because these relationships may be valuable or damaging to the overall workplace environment, organizational dynamics, and performance. Thus, another intent of this study is to

be able to recommend policies or programmes that will support this relationship. Lastly, this study seeks to contribute to the existing literature and analysis with different results on workplace friendship and its effect on innovative behaviour.

This study will be significant to the organization as it may curate activities and programs to develop internal relationships. These activities will promote a healthier and positive workplace that will contribute to the organization's innovation and continuous development. This study may also influence leaders and managers to recognize the potential of fostering workplace friendships in order to develop a healthier work environment, and at the same time, establish systems that allow people to contribute to the organization by making business decisions. Likewise, this study will help employees realize the value of promoting and building healthier workplace relationships for a harmonious and more suitable working environment, developing support systems and personal growth. Lastly, future researchers may further the literature pertaining to the understanding of the various mechanisms affecting workplace friendships by developing procedures and practices that promote these relationships which ultimately contribute to individual and organizational success.

Literature Review and Hypothesis

Social Cognitive Theory

One of the theories used in literature in examining workplace friendships is Bandura's Social Cognitive Theory (SCT) (1986). This theory asserts that learning emerges in a social context with a dynamic and mutual interaction among individuals, the environment, and one's behaviour. The influence of external and internal social forces is vital in the learning process, where individuals acquire, develop, and maintain a behaviour simultaneously influenced by the environment where the individual conducts their behaviour (Bandura, 1986). In a study by Cao

and Zhang (2020) using the said theory, the findings depict that China's unique cultural environment influences relationships and contributes to the innovative behaviour of organizations. So, from this theory, workplace friendships promote resource sharing, encourage support, and create more harmonious relationships that enhance individuals' problem-solving skills and contributes to their well-being.

Workplace Friendships

Pillemer and Rothbard (2018) described and defined *workplace friendship* as “a non-romantic, voluntary, and informal relationship between current coworkers that is characterized by communal norms and socioemotional goals” (p. 637). This definition highlights the four core features of friendship as discussed in their study (Pillemer & Rothbard, 2018):

- *voluntary* or chosen, not imposed;
- *informal* with no definite guide to one's role and engagement in the said relationship;
- based on *communal norms* that provide support out of concern; and
- a relationship steered by *socioemotional goals* that foster one's well-being.

Therefore, this bond allows unique personal relationships aside from the leader-subordinate, mentor-mentee dynamics and helps build high-quality connections in the workplace (Pillemer & Rothbard, 2018). At the same time, according to Yan et al. (2021), creating workplace friendships provides more resources and support than other relationships at the workplace. Accordingly, this study agrees with the definition of workplace friendship proposed by Cao and Zhang (2020), who define it as an informal, intimate, interpersonal relationship that differs from instrumental relationships like mentoring and supervisor-subordinate relationships.

Several factors are said to influence and cultivate workplace friendships. For example, Dotan (2009) classified friendship formation as motivational or facilitating. The motivational factors develop through engaging in 1) *work safety/trust*, an affective feeling that motivates an individual to pursue friendship, 2) *missing role*, also an affective feeling that develops when a colleague resembles someone significant in their lives, 3) *sanity check*, a mental formation where friendship develops from gaining confidence and reassurance from others, and 4) *instrumentality*, suggests that employees yearning for promotion develop friendships with colleagues who may help them gain these rewards (Dotan, 2009). Facilitating factors, on the other hand, are external stimuli that cause relationships to develop. These factors are 1) *work/life interests*, a connection that develops because of similarities, and 2) *proximity*, a situational type that develops friendships due to physical closeness (Dotan, 2009). Consequently, employees who develop workplace friendships undertake the relationship “by choice, treat each other as whole persons, and offer assistance reciprocally and mutually” (Yan et al., 2021, p. 206).

Workplace Friendship, Innovative Behaviour, and Entrepreneurial Intention

Studies on workplace friendships are limited and still evolving (Yan et al., 2021). Nevertheless, when facilitated with mutual trust, this seemingly complex and interesting interpersonal relationship reduces anxiety toward uncertainties and challenges (Cao & Zhang, 2020; Pillemer & Rothbard, 2018). The literature also ascribes the promotion of creativity through innovative behaviour (Cao & Zhang, 2020) and entrepreneurial intention (Hu, Wu, & Gu 2019; Nanda & Sørensen, 2010) to workplace friendship.

In addition, research depicts conflicting relationships between workplace friendships and innovative behaviour. In their respective studies, Cao and Zhang (2020) and Helmy, Adawiyah,

and Setyawati (2020) illustrated the positive and significant relationship between workplace friendship and innovative behaviour. On the contrary, Stock, Jong, and Zacharias (2016) found that workplace friendship weakens innovative behaviour because other factors like customer aggression and underemployment, can have more substantial effects. Furthermore, Helmy et al. (2020) highlight the critical role of workplace friendship in influencing frontline employees' innovative behaviour where a friendly environment promotes opportunities to develop products and services. At the same time, Gottfridsson (2014) maintained that innovation greatly depends on employee collaboration. Therefore, workplace friendships also strengthen communication that encourages a regular and open exchange of feedback, promoting innovation (Cao & Zhang, 2020; Eva, Meacham, Newman, Schwarz, & Tham, 2019).

Furthermore, based on Bandura's (1986) Social Cognitive Theory, the environment at the workplace supports and encourages the exchange of information. Thus, the literature also reveals that workplace relationships affect the creation, development, and implementation of ideas and promote creativity through innovative behaviour. This study examines whether:

H1: There is a positive relationship between workplace friendship and innovative behaviour.

On the other hand, the 2010 study by Nanda and Sørensen found that workplace friendship impacts entrepreneurial intention if peers have prior entrepreneurial experiences. While in other literature, like Obschonka, Goethner, Silbereisen, and Cantner (2012) and Hu et al. (2019), the authors assert that other factors like one's drive, persistence, and relationships also influence the impact of workplace friendships on entrepreneurial intention. Thus, workplace friendship has a positive effect on entrepreneurial intention:

H2: There is a positive relationship between workplace friendship and entrepreneurial intention.

The Mediating Role of Innovative Behaviour

Innovative behaviour revolves around one's capacity to generate new ideas and develop problem-solving skills at the individual or organizational level. Choi, Kang, and Choi (2021) cite Orfila-Sintes and Mattsson (2009) who stated that innovative behaviour concerns the active generation, introduction, and application of ideas that enhance the performance of an individual or an organization. This outcome makes innovative behaviour a vital trait for individuals and organizations, creating competitive advantage and allowing them to thrive in their environment (Carmeli, Meitar, & Weisberg, 2006).

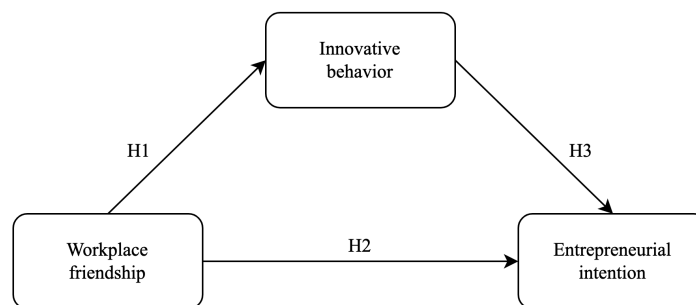
Studies often examine the influence of innovative behaviour and its mechanisms because of its positive impact on performance and its importance in the organizational environment. The said behaviour functions as a means of how firms can further leverage this trait of being creative (Choi et al., 2021; Rehman, Hafeez, & Maitlo, 2019). Norena-Chavez's (2020) study illustrates that innovative behaviour mediates entrepreneurial self-efficacy and entrepreneurial intention. It further suggests investigating other direct and indirect antecedents of entrepreneurial intention.

The positive contribution of workplace friendships in the organizational environment, often through frequent feedback (Eva et al., 2019), also enhances an individual's innovative behaviour (Cao & Zhang, 2020). At the same time, a favourable working environment fosters an individual's entrepreneurial intention (Hu et al., 2019; Nanda & Sørensen, 2010). This intention may involve exploiting opportunities like innovating and creating goods and services, hence, the individual-opportunity nexus (Shane & Venkataram, 2000) or venturing and establishing an

entirely new firm (Klein, 2016). Thus, this study suggests a further exploration of the mediating effect of innovative behaviour on organizational relationships like that of workplace friendships on entrepreneurial intention:

H3: There is a mediating effect of innovative behaviour on workplace friendship and entrepreneurial intention.

Figure 1: Conceptual Framework: Workplace Friendship on Entrepreneurial Intention Mediated by Innovative Behaviour



Source: Author's own

Methodology

This study utilizes a quantitative, descriptive, causal, cross-sectional research design examining a sample population of Philippine-based micro-, small-, and medium-sized enterprises (MSMEs) nationwide from various industries. At the same time, the study adopts non-probability, purposive sampling. The a-priori sample size using G*Power (Kang, 2021) calculated a target sample of 76 (Soper, n.d.). In total, there were 281 questionnaires received, yielding a 99% response rate or 278 usable responses. The survey was conducted from November 2021 to April 2022 through an online questionnaire using a 5-point Likert scale (1 = “strongly disagree,” 5 = “strongly agree”).

Although the instrument measures were already tested for validity and reliability by previous authors and studies, the researcher conducted a pre-test to confirm that the sample population identified understood them. The instrument's reliability was tested from August 4-6, 2021, with 30 respondents. These respondents were excluded from the overall sample analyzed. Sekaran and Bougie (2009) articulate that the reliability of measurement scales that fall beyond 0.80 is good; thus, the instrument utilized is good and acceptable.

- Workplace Friendships (WPF) was measured using a 6-item scale from Helmy et al. (2020) with a Cronbach's alpha of 0.821.
- Innovative Behaviour (IBE) was measured using a 6-item scale from Cao and Zhang (2020) with a Cronbach's alpha of 0.919.
- Entrepreneurial Intention (EIN) was measured using a 6-item scale from Hassan, Sade, and Rahman (2020) with a Cronbach's alpha of 0.943.

The researcher used Jamovi for the data processing and analysis for this study, specifically, descriptive and inferential statistical techniques to understand the relationship between the variables and their interaction with each other, in order to address the research questions. The investigation of the effect sizes of the variables among each other and the level of influence was conducted using correlation and linear regression. Moreover, using the basic type of mediation with one predictor, one mediator, and one outcome (Howard, 2020) allowed the measurement of the mediating presence of IBE on WPF and EIN.

Results and Findings

Descriptive Analysis

There were a total of 278 respondents. Their profiles depict the following frequencies and statistics: the majority are 26-41 years old, making up 59.7% (166/278) of the sample population. The sample population was primarily female, contributing 64.7% (180/278). Also, the respondents mostly have a bachelor's degree as their highest educational attainment at 68.3% (190/278). Most belong to the rank and file position at 39.6% (110/278), with a job tenure of 1-5 years at 43.9% (122/278). At the same time, the company profiles show that most respondents belong to medium-sized enterprises, accounting for 54.7% (152/278). Further, the majority of the firms where the respondents are employed with, have been operating for more than 15 years in their respective industries at 40.6% (113/278).

The overall mean of WPF, $M=3.84$, displays a general agreement from the respondents that they have established friendships in the workplace, and friends influence why they want to come to work. At the same time, they have built trust, confidence, and good companionships at work. Additionally, the mean of EIN, $M=3.90$, illustrates that the respondents approve of a possible intent of becoming an entrepreneur and establishing their own business venture. The mean for IBE, $M=4.27$, is the highest, which depicts a strong agreement on the respondents' interest and ability to engage in innovative behaviour.

The standard deviation, on the other hand, displays a lesser variation in the responses for both WPF ($SD=0.722$) and IBE ($SD=0.595$), in contrast to EIN ($SD=0.966$), depicting a greater degree of dispersion or a more considerable variation between the respondents' intention to become entrepreneurs and create new ventures.

Inferential Statistical Analysis

Firstly, the researcher performed a correlation to understand the interrelationships between the variables in this study. Adapting the interpretation by Cohen (2013), the author defined the coefficient interval and its effect and size as follows: 0.10-0.29 as weak or small, 0.30-0.49 as moderate or medium, and 0.50-1.0 as strong or large. The variables show a significant, positive relationship; however, the size of the relationships implies a small, medium correlation. Therefore, this relationship tells us that IBE goes up as WPF increases, but the association of these two variables has a medium-size effect ($p < .001$, $r = .334$). At the same time, as WPF increases, EIN also increases, but with a small correlation ($p = .027$, $r = .133$). Accordingly, as IBE increases, EIN also increases, depicting a medium association ($p < .001$, $r = .44$).

Secondly, to assess the relationship between variables, a simple linear regression was performed between WPF and IBE and between WPF and EIN. The relationship between WPF and IBE shows that WPF predicts IBE, $R^2 = .07$, $F(1, 276) = 23.3$, $p < .001$, 95% CI [0.136, 0.324]. WPF can only explain 7% of the changes in IBE. On an average, the CI shows that as WPF increases by 1 unit, IBE increases between 0.136 to 0.324. The results give us a short CI that is precise in its effect size (Cumming, 2013), which tells us that WPF indeed affects IBE.

On the other hand, WPF predicts EIN, $R^2 = .01$, $F(1, 276) = 23.3$, $p = .044$, 95% CI [0.00458, 0.319], where only 1% of the changes in EIN can be explained by WPF. The CI shows that the effect of WPF on EIN is between 0.004 and 0.319. Since the lower limit is near zero (0.004), the effect can be characterized as statistically inconsistent. However, it should also be noted that the upper limit is as high as 0.319, which indicates that although inconsistent, WPF may still be related to EIN.

Lastly, the researcher also utilized Jamovi's medmod function to run the basic mediation module to examine the mediating effect of IBE on WPF and EIN (please see Table 1 below). The results are consistent with the mediation analysis by Baron and Kenny (1986) - there is a significant *indirect effect* between WPF and IBE ($B = .1861, p < .001$), where path a, WPF on IBE reveals that ($B = 0.2299, p < .001$), and path b, IBE on EIN indicates that ($B = .8093, p < .001$), which indicates that paths a and b are significant. Continuing with the mediation analysis (Baron & Kenny, 1986), this time looking at the *direct effect* or path c, WPF on EIN, indicates that ($B = -.0241, p = .074$) is not significant. Finally, the *total effect* $z = 2.033, p = .042$ is significant. Therefore, the model supports a full mediation by IBE on WPF and EIN.

Table 1: Basic Mediation Results on IBE Mediating between WPF and EIN

Mediation Estimates							
Effect	Label	Estimate	SE	95% Confidence Interval		Z	P
				Lower	Upper		
Indirect	$a \times b$	0.1861	0.0434	0.10097	0.271	4.285	< .001
Direct	c	-0.0241	0.0727	-0.16658	0.118	-0.332	0.74
Total	$c + a \times b$	0.162	0.0797	0.00583	0.318	2.033	0.042

Path Estimates									
			Label	Estimate	SE	95% Confidence Interval		Z	p
						Lower	Upper		
WPF	→	IBE	a	0.2299	0.0474	0.137	0.323	4.846	< .001
IBE	→	EIN	b	0.8093	0.0882	0.636	0.982	9.173	< .001
WPF	→	EIN	c	-0.0241	0.0727	-0.167	0.118	-0.332	0.74

Source: Author's own

Accordingly, the results convey a significant indirect effect, and the model tells us that WPF influences EIN in the presence of the mediator, IBE. Moreover, since the model indicates complete mediation, the total effect of EIN on WPF passes through IBE. Thus, WPF has no direct impact on EIN; its entire effect is indirect through IBE. Ultimately, the results from the mediation analysis explain that workplace friendship (WPF) can influence entrepreneurial intention (EIN), if and only if, individuals have significant levels of innovative behaviour (IBE).

Discussion

The study shows a positive relationship between workplace friendships and innovative behaviour. This relationship may be the result of forming solid friendships through socializing with colleagues outside the workplace. Other sources include confiding in people at work, building trust with coworkers, and being the reason behind individuals' intention of going to work. These relationship-building factors enhance communication and the generation of creative ideas in the workplace. These results agree with the literature from Cao and Zhang (2020) that showed the positive impact of workplace friendships on employee innovative behaviour. At the same time, the 2020 study by Helmy et al. concluded that workplace friendships create a favourable environment impacting innovative behaviour. Thus, this as well as other studies illustrate that workplace friendships positively affect innovative behaviour.

The results from this study, although showing a positive relationship between workplace friendships and entrepreneurial intention, depict a varying level of effect, which suggests a further analysis of this relationship. Accordingly, the results are similar to previous studies which reveal that other influencing elements affect the relationship between workplace friendships and entrepreneurial intention (Hu et al., 2019; Nanda & Sørensen, 2010; Obschonka et al., 2012).

Some of these influencing factors are employees' prior entrepreneurial experiences, persistence in achieving goals, and the presence of belongingness in group memberships.

On the other hand, innovative behaviour has a full mediating effect on workplace friendships and entrepreneurial intention. Other studies too depict the complete mediation of innovative behaviour on various antecedents of entrepreneurial intention. For example, in the study by Law and Breznik (2017), the authors demonstrate that innovative behaviour mediates an individual's motivation for learning and entrepreneurial intention. Moreover, Wathanakom et al. (2020) demonstrate that innovative behaviour mediates the relationship between entrepreneurial education and intention.

Theoretical Implications

This study presents two theoretical implications and contributions. Firstly, the working environment affects the generation of new ideas that will help improve performance. This relationship reinforces the Social Cognitive Theory of Bandura (1986), where external forces are vital in developing individuals' behaviour. Furthermore, this may also improve management theories built upon understanding the external forces influencing behaviour and performance. Secondly, the study's framework addresses the call of Norena-Chavez (2020) to further investigate the mediating effect of innovative behaviour on entrepreneurial intention.

The findings from this study show that innovative behaviour fully mediates the relationship between workplace friendships and entrepreneurial intention. Thus, workplace friendships are strengthened through innovative behaviour — an addition to the possible antecedents of entrepreneurial intention.

Management/Practical Implications

Employees build, develop, and maintain relationships like friendships in the workplace. The organization, managers, and supervisors can enhance this relationship and contribute to the firm's growth. As this study demonstrates, managers can maximize the positive influence of workplace friendships by bringing out and developing the best in their employees and enabling creativity and innovation, possibly through intrapreneurship or corporate entrepreneurship. Frederick, O'Conner, and Kuratko (2019) defined *intrapreneurs* as "builders with a commitment and a strong drive to see their ideas become a reality" (p. 59). Solid internal support from peers and managers will motivate employees to pursue their vision and bring their ideas to fruition.

Managers may cultivate workplace friendships in order to improve innovative behaviour. They can foster relationship-building activities such as internal (group or department-wide) and external (company-wide) programs like practicing active listening, appreciation posts, and creating hobby/sports groups. Moreover, they can design skill-building programs, training, and activities to motivate innovative behaviour. These activities will enable the creation of new techniques and methods, product and service innovation, and process improvements. Such actions and opportunities will allow employees to develop strategies and plans to create exceptional ideas. Therefore, boosting innovative behaviour stimulates the pursuit of growth and development in the workplace (Cao & Zhang, 2020; Colbert et al., 2016). Thus, managers and supervisors should consider ways to encourage a harmonious and supportive environment by strengthening and building workplace friendships to impact innovative behaviour (Abdulmuhsin & Tarhini, 2020; Cao & Zhang, 2020).

As the literature maintains, there are varying schools of thought on entrepreneurship (Shane, 2003). Organizational leaders must consider driving an entrepreneurial spirit along with

the individual-opportunity nexus (Shane & Venkataraman, 2000). This may be possible when individuals exploit opportunities in their working environment. Moreover, managers and supervisors may position their efforts towards innovative behaviour that will mediate the entrepreneurial intention of uncovering and maximizing opportunities within the firm, for example, creating new products and services, improving business practices and decision making, developing markets, and enhancing organizing efforts and processes (Shane & Venkataraman, 2000). Managers should encourage employees to innovate by investing in their skills and capabilities to take advantage of new opportunities for the firm instead of managers and leaders focusing on the risk of individuals leaving the company and starting their business ventures.

Conclusion

The statistical results (shown in Table 2 below) suggest that workplace friendship (WPF) is moderately positively correlated to innovative behaviour (IBE) with an effect size of .334 and is significant. Moreover, the CI levels exemplify a precise effect size of WPF on IBE. Thus, support and personal growth emanate from good working relationships, such as workplace friendships (Ali & Kashif, 2020; Cao & Zhang, 2020; Colbert et al., 2016; Xiao et al., 2020).

Table 2: Summary of Hypotheses, Results, and Findings

Hypotheses	Results
H1: There is a positive relationship between workplace friendship (WPF) and innovative behaviour (IBE).	There is a moderately positive relationship between WPF and IBE, and it is significant, where the correlation size is ($p < .001$, $r = .334$) and $R^2 = .07$, $F(1, 276) = 23.3$, $p < .001$, 95% CI [0.136, 0.324]
H2: There is a positive relationship between workplace friendship (WPF) and entrepreneurial intention (EIN).	There is a weakly positive relationship between WPF and EIN, and is significant, where the correlation size is ($p = .027$, $r = .133$) and $R^2 = .01$, $F(1, 276) = 23.3$, $p = .044$,

	95% CI [0.00458, 0.319]
H3: There is a mediating effect of innovative behaviour (IBE) on workplace friendship (WPF) and entrepreneurial intention (EIN).	The model supports full mediation where IBE completely mediates between WPF and EIN satisfying conditions 1, 2, 3, and 4 of Baron and Kenny (1986).

Source: Author's own

Additionally, WPF is weakly positively correlated to entrepreneurial intention (EIN) with an effect size of .334. This relationship is significant, where the CI levels show an inconsistent yet possibly influencing the effect of WPF on EIN as demonstrated by the lower limit close to zero and a high upper limit of 3.

Furthermore, the model depicts a complete mediation of IBE on WPF and EIN. Thus, WPF will impact EIN through the presence of IBE. This model also agrees with the correlation and linear regression results that WPF affects IBE.

Limitations and Directions for Future Research

This study has its limitations. Firstly, a quantitative-correlational study is insufficient to understand the phenomenon of workplace friendships fully. So, a qualitative study employing a phenomenological or case study approach will further this study and explore various nuances of this type of workplace relationship. Secondly, since the researcher used convenience sampling, the outcomes are not generalizable to all MSMEs or the workplace environment per se. stratified random sampling can be useful for addressing this weakness, as it will help enhance the understanding of the forces affecting workplace friendships, innovative behaviour and entrepreneurial intention. At the same time, it allows the further investigation of the contribution of workplace friendships to the overall well-being and value creation in the organization. Lastly, the outcomes and influences of workplace friendships may be beneficial and detrimental. As this

study only considered the positive effects of workplace friendships, future studies may consider the adverse consequences of the said relationship. In this manner, leaders can identify and address the issues that may affect the organizational working dynamics.

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